

24 MAR 1950

The Honorable
The Director of the
Bureau of the Budget
Bureau of the Budget
Washington, D. C.

DOCUMENT NO. _____
NO CHANGE IN CLASS. ☒
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CLASS. CHANGED TO: TS : 0
NEXT REVIEW DATE: _____
AUTH: HR 70-2
DATE: 27 MAR 1950 REVIEWER: _____

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Dear Mr. Pace:

I wish to bring to your attention certain problems with which this Agency would be faced if any of the current proposals regarding restrictions on the accumulation of annual leave are put into effect. The most recent of these is the proposed Section 1112 of H.R. 7786, a Bill making appropriations for the support of the Government for the fiscal year ending June 30, 1951. While it appears from the press that Section 1112 may be the subject of a point of order on the Floor, there appears to be enough discussion of this particular problem to lead me to believe that some legislative or executive solution may be contemplated.

The general tenor of these proposals is that federal employees will not be allowed to accrue annual leave from year to year, but will be forced to utilize their leave in the year in which it accrues. Section 5(a)(3)(A) of the Central Intelligence Agency Act of 1949 (Public Law 110, 81st Congress) provides that this Agency shall --

"Order to the United States or its Territories and possessions on leave provided for in 5 U.S.C. 30, 30a, 30b, or as such sections may hereafter be amended, every officer and employee of the agency who was a resident of the United States or its Territories and possessions at time of employment, upon completion of two years' continuous service abroad, or as soon as possible thereafter; Provided, That such officer or employee has accrued to his credit at the time of such order, annual leave sufficient to carry him in a pay status while in the United States for at least a thirty-day period."

If present proposals as to accumulation of leave are put into effect, it would be impossible for our overseas personnel to accrue thirty days annual leave over a period of two years.

3/28/50: Mr. Ramsey, Budget Bureau, tel to advise that Mr. Pace, Director, BB, has approved Admiral's direct contact w/Chairman, Appropriations Committee, re exception for CIA. Budget will not make a formal reply to this letter -- tel call from Mr. Ramsey to suffice.

Budget.

If this Section of our Act were amended to read twenty-six days, or some comparable figure in the light of current proposals, all of this leave would have to be accumulated during the employee's second year abroad, leaving him no leeway for emergency leave or any leave other than home leave during the second year. In fact, such home leave would probably have to be taken in his third year of overseas duty. The reasons which led to the passage of Section 5(a)(3)(A) above would be negated by current proposals.

In addition to the problem outlined above, this Agency has a special problem in connection with its departmental personnel. As you know, all of our work lies in the field of foreign intelligence, and many of our personnel are highly specialized in particular countries or areas abroad. As part of their background, many of our personnel have taken, or contemplate taking, extended trips to the areas of their specialties, at their own expense. To this end many of our personnel are accumulating leave, or plan to accumulate leave, over a period of two or three years so that they can make protracted trips abroad of sixty days or more. This would be impossible if current proposals and restrictions regarding leave are enacted, as very few persons could afford the personal expense of an overseas trip lasting a mere twenty-six days including travel time.

For the above reasons, I therefore request your approval that the Central Intelligence Agency be specifically exempted from any proposed limitations on the accrual of leave, and that I be permitted to inform the Chairman of the House Appropriations Committee of such approval should the matter appear to be coming to a head in the very near future.

Sincerely,

Signed -

R. H. HILLENKOETTER
REAR ADMIRAL, USN

DIRECTOR OF CENTRAL INTELLIGENCE

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